

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

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|-------------------------------------|---|---------------------------|
| Terves LLC, |) | |
| |) | Case No. 1:19-cv-1611-DCN |
| Plaintiff, |) | |
| |) | Judge Donald C. Nugent |
| v. |) | |
| |) | |
| Yueyang Aerospace New Materials Co. |) | |
| Ltd. et al., |) | |
| |) | |
| Defendants. |) | |

Terves' Supplemental Opposition to Ecometals' Motion to Stay (ECF # 100)

While Terves' opposition provided ample grounds for the Court to deny Ecometals' flawed motion to stay (ECF #100), a new, key fact has emerged that further warrants denial of that motion. On August 4, 2021, the USPTO rejected Ecometal's request to institute reexamination on claims as to claims 8, 25-28, 33-36, 55, 74-76 of the '653 patent. Incredibly, Ecometal's supplemental notice (ECF #114) failed to identify to the Court this adverse outcome that renders its motion meaningless.

Because the USPTO denied reexamination on a number of claims that Terves asserts, a stay is meritless. Ecometal must face its infringement of the '653 patent in this suit regardless of the reexamination result. The Court should deny the motion for all of the reasons previously provided, and also because the USPTO confirmed the continued validity of the '653 patent—making certain that reexamination offers no simplification.

Supplemental Background

Ecometal made a last ditch petition to the USPTO for *ex parte* reexamination of the '653 patent claims asserted in this litigation. (See ECF #100-1, PageID #6590.) That petition

failed as the USPTO has rejected reexamination as to claims 8, 25-28, 33-36, 55, 74-76. (ECF #114, 8, 12.)

Ecometal inaccurately represented to the Court in its supplemental notice only that the USPTO granted reexamination. (ECF #114.) That is false, and Ecometal is wrong for failing to address to the Court the USPTO's full ruling – particularly the USPTO denying the petition on more than a dozen patent claims – in its notice. (ECF #114-1.) Ecometal's notice also fails to address how this adverse ruling against it continues to support its motion for stay. The truth is that Ecometal should have withdrawn its baseless motion to stay after the USPTO's ruling, but Ecometal did not do so. Terves reasserts the compelling points in its opposition (ECF #108), and the USPTO's ruling since then gives Terves' opposition greater force.

Law and Argument

The Court should deny a stay because the factors weigh strongly against a stay.

I. The even-later stage of this case weighs against a stay.

Since Ecometal's request for stay and Terves' response, the parties have exchanged their expert reports (July 27, 2021) and are in the process of finalizing their rebuttal expert reports (by August 27, 2021). Additionally, Terves has been forced to expend resources in filing a motion to compel Ecometal's deficient discovery responses (ECF #101, 109, 111) and a motion to strike Ecometal's improper attempt to evade Local Patent Rule 3.10(c) (ECF #112). Under Terves' previously cited precedent and arguments, this progress and additional investment has only strengthened Terves' argument against a stay.

II. There is no possibility of simplification to merit a stay.

The USPTO's refusal to reexamine more than a dozen patent claims negates any possibility that a reexamination would simplify this case, and this weighs even heavier against a stay. As Terves predicted and argued, there will be *no* simplification of issues in this litigation because more than a dozen claims Terves asserted in this litigation have survived reexamination. (ECF #108.) Ecometal has gambled filing its reexamination request and lost. And so goes its motion for stay.

III. Conclusion

For these reasons and the reasons set forth in Terves' opposition (ECF #108, 115), the Court should deny the motion for stay (ECF #100).

Respectfully submitted,

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s/ David B. Cupar
David B. Cupar (OH 0071622)
Matthew J. Cavanagh (OH 0079522)
Andrew D. Gordon-Seifert (OH 0092499)
Lidia C. Mowad (OH 0097973)
MCDONALD HOPKINS LLC
600 Superior Avenue, East, Ste. 2100
Cleveland, Ohio 44114
t 216.348.5400 f 216.348.5474
dcupar@mcdonaldhopkins.com
mcavanagh@mcdonaldhopkins.com
agordon-seifert@mcdonaldhopkins.com
lmowad@mcdonaldhopkins.com

Counsel for Terves LLC